IPRS and REP Licences to Hundred Percent Export Oriented Units

5179. SHRI MORESHWAR SAVE:
SHRI K. PRADHANI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the hundred percent Export Oriented Units are not entitled to International Price Reimbursement Scheme (IPRS) and REP licences at present;

(b) whether in the absence of IPRS and REP benefits, these units are forced to resort to imports and they have to suffer as foreign suppliers show lack of interest in them; and

(c) if so, whether the Government propose to grant IPRS and REP licences to such units?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c). Hundred Percent Export Oriented Units are entitled to Eximscrip benefits @ 30% of the net foreign exchange earned on physical exports. The International Price Reimbursement Scheme will also be extended to them.

Financial Assistance to Small Scale Industries by SIDBI

5180. SHRI S.B. SIDNAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) has set up a wholly owned subsidiary Small Industries Development Bank of India (SIDBI) to meet the demand of tiny and small scale industries;

(b) if so, whether any guidelines have been prepared by them in this regard to help small scale industries;

(c) if so, the details of the scheme prepared by the SIDBI; and

(d) the number of small scale industries which will be provided loan and help during the year 1991-92?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir.

(b) and (c). Small Industries Development Bank of India (SIDBI) was set up in April, 1990 as the principal financial institution for the promotion, financing and development of industry in the small scale sector and to coordinate the functions of the institutions engaged in similar activities. SIDBI provides assistance under its Refinance Scheme to eligible banks and state level institutions in respect of their term loans to artisans and to village and cottage industries in the tiny sector and to other units in the SSI sector. Assistance is available for setting up new units, or for the expansion, diversification, modernisation and rehabilitation of existing small industries. Projects costing upto Rs. 300 lakhs are eligible for refinance assistance from SIDBI.

SIDBI also extends Bills Rediscounting/ Direct Discounting facilities covering deferred payment sale/purchase of capital equipment to or by small scale units.

In March, 1991 SIDBI has introduced Direct Discounting of Short Term Bills under which bills (for a period upto 90 days) drawn by units in the small scale sector on specified buyers in respect of components, parts etc., are discounted.

SIDBI also provides direct assistance for setting up of sales outlets, showroom facilities, office equipment, sales vans and margin money for working capital. Direct assistance is also available to State Industrial Development Corporations, State Infra-